

DIRECTIVE

JOB TRAINING PARTNERSHIP ACT

Number: D98-9

Date: November 2, 1998

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TO: SERVICE DELIVERY AREA ADMINISTRATORS
PRIVATE INDUSTRY COUNCIL CHAIRPERSONS
JTPD PROGRAM OPERATORS
EDD JOB SERVICE OFFICE MANAGERS
JTPD STAFF

SUBJECT: DEBARMENT OF SERVICE PROVIDERS FROM RECEIPT OF JTPA
FUNDING

EXECUTIVE SUMMARY:

Purpose:

This directive transmits the policy and procedures for identifying service providers who are indebted to the State or a Service Delivery Area (SDA) and excluding them from the Job Training Partnership Act (JTPA) program.

Scope:

This directive applies to all subrecipients that receive JTPA funds provided by and through the State of California.

Effective Date:

This directive is effective upon its release.

REFERENCES:

- JTPA Section 164(b)(1)(B)(ii)
- Title 20 Code of Federal Regulations (CFR), Sections 626.5 and 627.424
- California Unemployment Insurance Code (CUIC), Section 15061(b)
- JTPA Directive D97-11: Debt Collection

STATE-IMPOSED REQUIREMENTS:

This directive contains State-imposed requirements in ***bold, italic*** type.

FILING INSTRUCTIONS:

This directive supersedes JTPA Directive D96-22, dated April 14, 1997, and finalizes Draft Directive DD-6 issued for comment on October 6, 1998. Retain this directive until further notice.

BACKGROUND:

In 1993, the Family Economic Security Act (FESA) was amended to require SDAs to report service providers who had not paid their final debts or established a payment plan. Section 626.5 in the CFR redefined the term "service provider" by removing the

term subrecipient from its definition. Vendors who provide education, training, employment, or supportive services to JTPA participants are now included as service providers.

POLICY AND PROCEDURES:

General:

The debarment provision applies to all service providers, including any branch offices of service providers, and to any service provider known by an SDA to have an unpaid final debt whether or not the service provider appears on the list published by the Job Training Partnership Division (JTPD).

Procedures:

1. ***Between January 1 and January 31, SDAs will notify all indebted service providers that:***
 - a.) ***Payments must be received by February 28 to avoid placement on the Job Training Partnership Division's Debarment List for the upcoming fiscal year.***
 - b.) ***Service providers on the Debarment List may not contract for JTPA program services.***
 - c.) ***Payments received after February 28 will not prevent debarment for the upcoming fiscal year.***
2. ***On or before each April 1, SDA administrators will submit to the JTPD's Policy Unit a list of service providers that have not, as of February 28, fully paid their debt or entered into and complied with an approved installment repayment agreement (as described in JTPA Directive D97-11: Debt Collection) with respect to a JTPA-related final debt established on or before February 1 of the report year. The list of service providers with an unpaid debt will be submitted on the attached form, "JOB TRAINING PARTNERSHIP ACT INDEBTED SERVICE PROVIDERS," or a reasonable facsimile that includes the information specified on the form. Please note that a report is required even if there are no debtors.***
3. ***All subrecipients will ensure that the service providers on the JTPD debarment list do not receive any JTPA funds beginning July 1. Contracts or subgrants that cross fiscal years must contain a clause that provides for termination of the contract or subgrant effective July 1, if the service provider is identified on the JTPD debarment list issued on May 1.***

Any service provider known to an SDA to have a debt and to be lacking a fully approved and complied with repayment agreement must be denied new or further JTPA funding by that SDA even though the service provider is not included on the JTPD debarment list.
4. ***Subrecipients do not have the right to appeal their debarred status because appeal rights are exhausted through the debt collection process.***

ACTION:

Bring this directive to the attention of all affected staff and service providers.

INQUIRIES:

If you have any questions about information contained in this directive, please contact your program manager at (916) 654-7799 or Jean Cole of the Policy Unit at (916) 654-8284.

/S/ BILL BURKE
Assistant Deputy Director

Attachment

JOB TRAINING PARTNERSHIP ACT INDEBTED SERVICE PROVIDERS

Employment Development Department
Job Training Partnership Division
P.O. Box 826880, MIC 69
Sacramento, CA 94280-0001
Attention: Policy Unit

Date

Service Delivery Area

As the Administrator for this Service Delivery Area (SDA), I certify that the following is a complete list of all service providers in this SDA that have not, as of the date indicated above, fully paid or entered into and complied with an approved installment repayment agreement with respect to a final debt of Job Training Partnership Act funds established prior to February 1 of the current calendar year.

SDA Administrator (please print)

Contact Person (please print)

Signature of SDA Administrator

Telephone Number

If there are no service providers with outstanding debts, check here. ☐

Federal Employer Identification Number _____

Service Provider

Name _____

Street _____

City _____ State ____ Zip _____

Corporate Headquarters, if different

Name _____

Street _____

City _____ State ____ Zip _____

If this service provider operates under any other name, check here ☐
and attach a list with names and locations.

Date Debt Established _____ Current Balance _____ Date of Last Payment _____

**JOB TRAINING PARTNERSHIP ACT
INDEBTED SERVICE PROVIDERS
Continued**

Federal Employer Identification Number _____

Service Provider

Corporate Headquarters, if different

Name _____

Name _____

Street _____

Street _____

City _____ State ____ Zip _____

City _____ State ____ Zip _____

If this service provider operates under any other name, check here ☐
and attach a list with names and locations.

Date Debt Established _____ Current Balance _____ Date of Last Payment _____

Federal Employer Identification Number _____

Service Provider

Corporate Headquarters, if different

Name _____

Name _____

Street _____

Street _____

City _____ State ____ Zip _____

City _____ State ____ Zip _____

If this service provider operates under any other name, check here ☐
and attach a list with names and locations.

Date Debt Established _____ Current Balance _____ Date of Last Payment _____

Federal Employer Identification Number _____

Service Provider

Corporate Headquarters, if different

Name _____

Name _____

Street _____

Street _____

City _____ State ____ Zip _____

City _____ State ____ Zip _____

If this service provider operates under any other name, check here ☐
and attach a list with names and locations.

Date Debt Established _____ Current Balance _____ Date of Last Payment _____
